



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Investment Account report

MEETING DATE: May 1, 2002

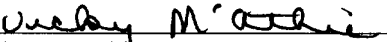
PREPARED BY: Deputy Treasurer

RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

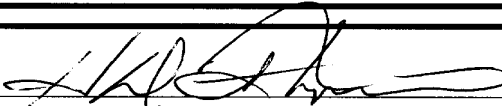
BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

  
Vicky McAthie  
Finance Director/Treasurer

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn -- City Manager



**City of Lodi**  
**Portfolio Management**  
**Portfolio Summary**  
**March 31, 2002**

City of Lodi  
 212 W. Pine St.  
 Lodi, CA 95240  
 (209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	11,380,000.00	11,380,000.00	11,380,000.00	66.10	1	1	2.949	2.990
Certificates of Deposit - Bank	2,300,000.00	2,300,000.00	2,300,000.00	13.36	201	20	3.105	3.148
Passbook/Checking Accounts	1,530,305.72	1,530,305.72	1,530,305.72	8.89	1	1	0.000	0.000
Corporate Medium Term Note	1,020,000.00	1,049,508.60	1,005,929.64	5.84	1,056	413	7.151	7.250
Federal Agency Issues - Coupon	1,000,000.00	1,008,130.00	1,000,000.00	5.81	1,095	840	4.981	5.050
<b>Investments</b>	<b>17,230,305.72</b>	<b>17,267,944.32</b>	<b>17,216,235.36</b>	<b>100.00%</b>	<b>153</b>	<b>76</b>	<b>3.071</b>	<b>3.114</b>
<b>Total Earnings</b>	<b>March 31 Month Ending</b>	<b>Fiscal Year To Date</b>						
Current Year	49,191.97	580,215.86						
Average Daily Balance	20,389,329.46	20,368,716.44						
Effective Rate of Return	2.84%	3.79%						

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next 30 days. Union Bank of California is the source of market valuation.

Marcella M. Cadwallader      4/5/02  
 Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

**City of Lodi**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**March 31, 2002**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to 360 Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
LAIF	1000	Local Agency Invest. Fund			8,380,000.00	8,380,000.00	8,380,000.00	2.990		2.949	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			3,000,000.00	3,000,000.00	3,000,000.00	2.990		2.949	1	
Subtotal and Average			12,805,806.45		11,380,000.00	11,380,000.00	11,380,000.00			2.949	1	
<b>Certificates of Deposit - Bank</b>												
WEST	44	Bank of the West		04/18/2001	100,000.00	100,000.00	100,000.00	4.170		4.170	16	04/17/2002
FM10	47	Farmers and Merchants Bank		10/01/2001	1,000,000.00	1,000,000.00	1,000,000.00	3.100		3.100	0	04/01/2002
FM09	48	Farmers and Merchants Bank		10/09/2001	1,000,000.00	1,000,000.00	1,000,000.00	3.100		3.100	30	05/01/2002
GUAR	50	Guaranty Federal Bank		01/14/2002	100,000.00	100,000.00	100,000.00	1.990		1.990	135	08/14/2002
LODI	49	Bank of Lodi		10/10/2001	100,000.00	100,000.00	100,000.00	3.250		3.250	5	04/06/2002
Subtotal and Average			2,300,000.00		2,300,000.00	2,300,000.00	2,300,000.00			3.105	20	
<b>Passbook/Checking Accounts</b>												
BACK	4003	Bank of America		07/01/2001	192,869.65	192,869.65	192,869.65			0.000	1	
	4000	Farmers & Merchants			1,337,436.07	1,337,436.07	1,337,436.07			0.000	1	
Subtotal and Average			3,278,077.29		1,530,305.72	1,530,305.72	1,530,305.72			0.000	1	
<b>Corporate Medium Term Note</b>												
36962GSY1	35	Higgins Capital Management, In		06/27/2000	1,020,000.00	1,049,508.60	1,005,929.64	5.880	AAA	7.151	413	05/19/2003
Subtotal and Average			1,005,445.72		1,020,000.00	1,049,508.60	1,005,929.64			7.151	413	
<b>Federal Agency Issues - Coupon</b>												
31331LMN5060	46	Federal Farm Credit Bank		07/20/2001	1,000,000.00	1,008,130.00	1,000,000.00	5.050		4.981	840	07/19/2004
Subtotal and Average			1,000,000.00		1,000,000.00	1,008,130.00	1,000,000.00			4.981	840	
Total Investments and Average			20,369,329.46		17,230,305.72	17,267,944.32	17,216,235.36			3.071	76	

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City of Lodi  
Portfolio Management  
Portfolio Details - Cash  
March 31, 2002

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Total Cash and Investments			20,389,329.46		17,230,305.72	17,267,944.32	17,216,235.36			3.071	76

**City of Lodi**  
**Portfolio Management**  
**Investment Activity By Type**  
**March 1, 2002 through March 31, 2002**

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
LAIF	1000	Local Agency Invest. Fund	2.990		1,700,000.00	0.00	
LPIC	1001	Local Agency Inv Fund (LPIC)	2.990		0.00	3,000,000.00	
		<b>Subtotal</b>			<b>1,700,000.00</b>	<b>3,000,000.00</b>	<b>11,380,000.00</b>
<b>Certificates of Deposit - Bank</b>							
		<b>Subtotal</b>					<b>2,300,000.00</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>							
BACK	4003	Bank of America			383,488.47	385,652.65	
	4000	Farmers & Merchants			11,055,128.89	12,858,995.33	
		<b>Subtotal</b>			<b>11,438,617.36</b>	<b>13,244,647.98</b>	<b>1,530,305.72</b>
<b>Corporate Medium Term Note</b>							
		<b>Subtotal</b>					<b>1,005,929.64</b>
<b>Federal Agency Issues - Coupon</b>							
3133MAVS5	30	Federal Home Loan Bank (call)	7.120	03/01/2002	0.00	1,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>
		<b>Total</b>			<b>13,138,617.36</b>	<b>17,244,647.98</b>	<b>17,216,235.36</b>

**City of Lodi**  
**Portfolio Management**  
**Investment Activity Summary**  
**March 2001 through March 2002**

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Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Securities Purchased	Number of Securities Matured / Sold	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
March	2001	20	27,214,316.25	5.865	5.946	6.520	0	1	380	142
April	2001	19	28,492,110.95	5.957	6.039	6.160	2	3	325	116
May	2001	18	25,058,431.76	5.845	5.926	6.160	0	1	355	119
June	2001	15	23,627,373.10	5.734	5.814	6.160	1	4	222	61
July	2001	15	20,008,838.21	5.670	5.748	6.160	2	1	289	115
August	2001	15	18,036,820.89	5.674	5.753	6.160	0	0	321	113
September	2001	11	15,757,753.71	4.914	4.982	6.160	0	4	212	115
October	2001	12	21,981,813.67	3.294	3.340	3.750	3	2	153	94
November	2001	12	22,224,005.67	3.672	3.723	3.750	0	0	151	86
December	2001	12	17,081,531.00	3.693	3.744	3.785	0	0	197	102
January	2002	12	21,305,388.93	3.171	3.215	3.070	1	1	158	75
February	2002	12	21,321,231.39	3.036	3.078	3.070	0	0	158	68
March	2002	11	17,216,235.36	3.071	3.114	2.990	0	1	153	76
Average		14	21,486,603.91	4.584%	4.648%	4.915	1	1	236	99

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**City of Lodi**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**March 2001 through March 2002**

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Investment Type	March 2001	April 2001	May 2001	June 2001	July 2001	August 2001	September 2001	October 2001	November 2001	December 2001	January 2002	February 2002	March 2002	Average by Period
Local Agency Investment Funds	45.9	55.5	51.9	59.7	50.6	46.0	52.7	56.5	67.0	57.4	63.9	59.5	66.1	56.4%
Certificates of Deposit - Bank	12.1	11.6	9.2	9.7	11.5	12.8	8.3	10.5	10.4	13.5	10.8	10.8	13.4	11.1%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	7.1	3.2	5.0	7.3	7.9	8.0	20.0	19.4	9.1	11.6	11.2	15.7	8.9	10.3%
Corporate Medium Term Note	3.7	3.5	4.0	4.2	5.0	5.5	6.3	4.6	4.5	5.9	4.7	4.7	5.8	4.8%
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon	27.6	22.8	25.9	14.8	20.0	22.2	12.7	9.1	9.0	11.7	9.4	9.4	5.8	15.4%
Treasury Securities - Coupon	3.7	3.5	4.0	4.2	5.0	5.5								2.0%
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

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**City of Lodi**  
**Portfolio Management**  
**Interest Earnings Summary**  
**March 31, 2002**

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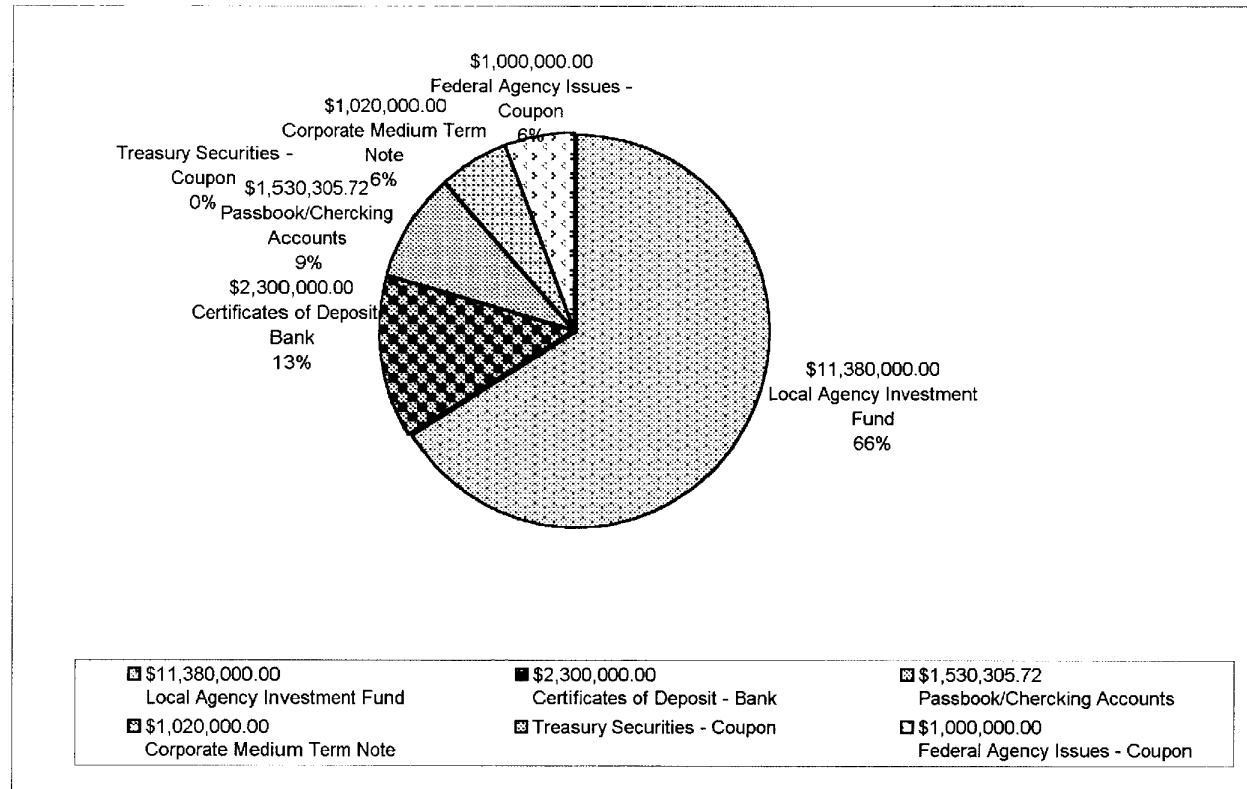
	March 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	66,268.75	354,311.27
Plus Accrued Interest at End of Period	-22,198.40	-22,198.40
Less Accrued Interest at Beginning of Period	( 28,714.83)	( 87,163.75)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	15,355.52	244,949.12
Adjusted by Premiums and Discounts	1,034.59	9,458.09
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	16,390.11	254,407.21
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	437,780.40
Plus Accrued Interest at End of Period	95,008.65	95,008.65
Less Accrued Interest at Beginning of Period	( 62,206.79)	( 206,980.40)
Interest Earned during Period	32,801.86	325,808.65
<b>Total Interest Earned during Period</b>	<b>48,157.38</b>	<b>570,757.77</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>1,034.59</b>	<b>9,458.09</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>49,191.97</b>	<b>580,215.86</b>



## BREAKDOWN OF TREASURY INVENTORY BY TYPE

March 31, 2002

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$11,380,000.00	66.046420%	Indefinite
Certificates of Deposit - Bank	\$2,300,000.00	13.348573%	5 years
Passbook/Checking Accounts	\$1,530,305.72	8.881477%	Indefinite
Corporate Medium Term Note	\$1,020,000.00	5.919802%	5 years
Treasury Securities - Coupon		0.000000%	5 years
Federal Agency Issues - Coupon	\$1,000,000.00	5.803728%	5 years
	<u>\$17,230,305.72</u>	<u>100.00%</u>	



**PHILIP ANGELIDES  
TREASURER  
STATE OF CALIFORNIA**

**INVESTMENT DIVISION SELECTED INVESTMENT DATA  
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO  
(000 OMITTED)**

December 31, 2001

<u>TYPE OF SECURITY</u>	AMOUNT	PERCENT	PERCENTAGE CHANGE FROM PRIOR MONTH
<b>Government</b>			
Bills	\$ 1,138,076	2.29	+0.57
Bonds	0	0	0
Notes	4,318,604	8.68	+0.64
Strips	0	0	0
<b>Total Governments</b>	<b>\$ 5,456,680</b>	<b>10.97</b>	<b>+1.21</b>
<b>Federal Agency Coupons</b>	<b>\$ 5,205,539</b>	<b>10.46</b>	<b>-0.17</b>
<b>Certificate of Deposits</b>	<b>5,240,047</b>	<b>10.53</b>	<b>-1.42</b>
<b>Bank Notes</b>	<b>1,115,009</b>	<b>2.24</b>	<b>-0.05</b>
<b>Bankers' Acceptances</b>	<b>17,877</b>	<b>0.03</b>	<b>+0.03</b>
<b>Repurchases</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Federal Agency Discount Notes</b>	<b>10,929,044</b>	<b>21.96</b>	<b>-2.81</b>
<b>Time Deposits</b>	<b>5,078,795</b>	<b>10.20</b>	<b>+0.22</b>
<b>GNMAs</b>	<b>859</b>	<b>0</b>	<b>0</b>
<b>Commerical Paper</b>	<b>11,511,436</b>	<b>23.13</b>	<b>+3.17</b>
<b>FHLMC</b>	<b>8,621</b>	<b>0.02</b>	<b>0</b>
<b>Corporate Bonds</b>	<b>2,511,685</b>	<b>5.05</b>	<b>+0.17</b>
<b>Pooled Loans</b>	<b>2,989,262</b>	<b>6.01</b>	<b>+0.25</b>
<b>GF Loans</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reversed Repurchases</b>	<b>-300,375</b>	<b>-0.60</b>	<b>+0.60</b>
<b>Total (All Types)</b>	<b>\$ 49,764,479</b>	<b>100.00</b>	

Average Life of Portfolio as of December 31, 2001 is 183 Days

**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**12/31/01**

Carrying Cost Plus								
Description	Accrued Interest	Purch.	Amortized Cost	Fair Value	Accrued Interest			
United States Treasury:								
Bills	\$	1,138,075,722.39	\$	1,142,970,729.26	\$	1,144,122,500.00	NA	
Notes	\$	4,318,603,694.27	\$	4,317,850,975.48	\$	4,399,497,250.00	\$	64,881,050.50
Federal Agency:								
SBA	\$	264,505,629.34	\$	264,505,629.34	\$	263,984,645.25	\$	1,576,449.67
MBS	\$	698,079,442.09	\$	698,079,442.09	\$	701,163,186.71	\$	3,605,331.70
Bonds	\$	4,242,953,871.84	\$	4,242,268,976.01	\$	4,286,070,714.80	\$	57,732,513.78
Floaters	\$	-	\$	-	\$	-	\$	-
Discount Notes	\$	10,929,043,768.36	\$	11,065,396,065.60	\$	11,096,090,229.32		NA
FHLMC PC	\$	8,620,709.82	\$	8,620,709.82	\$	9,348,175.20	\$	138,601.70
GNMA	\$	858,833.75	\$	858,833.75	\$	989,249.21	\$	8,503.83
Bankers Acceptances	\$	17,877,221.82	\$	17,881,030.68	\$	17,885,350.72		NA
Bank Notes	\$	1,115,008,664.83	\$	1,115,008,664.83	\$	1,118,500,239.55	\$	14,780,287.16
CDs	\$	5,240,047,588.05	\$	5,240,047,588.05	\$	5,243,868,828.60	\$	20,793,138.88
Commercial Paper	\$	11,511,436,136.36	\$	11,548,460,782.67	\$	11,554,908,922.17		NA
Corporate:								
Floaters	\$	1,246,949,677.63	\$	1,246,791,506.79	\$	1,240,379,079.10	\$	4,230,804.06
Bonds	\$	1,264,735,633.69	\$	1,263,385,126.14	\$	1,284,445,955.88	\$	19,936,017.20
Repurchase Agreements	\$	-	\$	-	\$	-		NA
Reverse Repurchase	\$	(300,375,000.00)	\$	(300,375,000.00)	\$	(300,375,000.00)	\$	(475,593.75)
Time Deposits	\$	5,078,795,000.00	\$	5,078,795,000.00	\$	5,078,795,000.00		NA
AB 55 & GF Loans	\$	2,989,262,546.90	\$	2,989,262,546.90	\$	2,989,262,546.90		NA
TOTAL	\$	49,764,479,141.14	\$	49,939,808,607.40	\$	50,128,936,873.41	\$	187,207,104.73

Fair Value Including Accrued Interest

\$ 50,316,143,978.14

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.003787124). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,075,742.49 or \$20,000,000.00 x 1.003787124.